

Message Text

UNCLASSIFIED

PAGE 01 SANTO 00016 032048Z

ACTION EB-07

INFO OCT-01 ARA-10 ISO-00 FEA-01 ERDA-07 AID-05 CEA-01
CIAE-00 CIEP-02 COME-00 DODE-00 FPC-01 H-02 INR-07
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-15
OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-10 PA-02 PRS-01
/117 W

-----032339Z 059292 /73

R 032020Z JAN 77

FM AMEMBASSY SANTO DOMINGO

TO SECSTATE WASHDC 9280

INFO AMEMBASSY CARACAS

UNCLAS SANTO DOMINGO 0016

E.O. 11652: N/A

TAGS: EFIN, ENRG, ETRN, DR

SUBJECT: PETROLEUM: NEW INTERNAL PRICE HIKES

REF: A) 75 SANTO DOMINGO 5162, B) 76 SANTO DOMINGO 5765, C) 76
SANTO DOMINGO 6170

1. ON DECEMBER 31, 1976, PRESIDENT BALAGUER PROMULGATED A DECREE
AUTHORIZING THE SECRETARY OF INDUSTRY AND COMMERCE TO INCREASE
THE PRICE OF PETROLEUM PRODUCTS TO DOMINICAN CONSUMERS BEGINNING
JANUARY 3, 1977. THE PRICE HIKE IS IN RESPONSE TO RECENT NOTIFI-
CATION BY VENEZUELA OF A 10 PERCENT RISE IN PETROLEUM PRICES
(VENEXUELA SUPPLIES 94.5 PERCENT OF DOMINICAN PETROLEUM IMPORTS).

2. THE PRICE INCREASES AMOUNT TO 15 CENTS PER GALLON FOR GASOLINE
(NOW 99 CENTS), FIVE CENTS PER GALLON FOR DIESEL FUEL (NOW 52.80
CENTS), AND FIVE CENTS PER GALLON FOR KEROSENE (NOW 75.58 CENTS).
THE NEW PRICES SUPPLANT THOSE IN EFFECT SINCE NOVEMBER 1975 (SEE
REFTEL A).

3. CARLOS T. SELIMAN, ECONOMIC ADVISER TO THE PRESIDENT, IN A
RECENT NEWSPAPER INTERVIEW, STATED THAT A FURTHER GASOLINE PRICE
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INCREASE MIGHT HAVE TO BE CONSIDERED IN JUNE 1977. THIS POSSI-
BILITY IS IN LINE WITH A PLANNED FIVE PERCENT PRICE INCREASE
IN JUNE BY VENEZUELA AND SELIMAN'S ESTIMATE THAT THE RECENT 10
PERCENT INCREASE WILL COST THE DR OVER \$22 MILLION.

4. AS PREVIOUSLY REPORTED (REFTEL C), THE DR IS INCREASINGLY
UNHAPPY WITH VENEZUELA OVER RISING PETROLEUM PRICES AND THESE

ADDED COSTS FOR CONSUMERS WILL NOT IMPROVE MATTERS.
THERE HAVE BEEN SPECULATIONS AND SUGGESTIONS CONCERNING THE
POSSIBILITY OF DR PURCHASES OF PETROLEUM ELSEWHERE--SAUDI ARABIA
AND IRAN HAVE BEEN MENTIONED--THROUGH THESE DO NOT SEEM TO BE A
PRACTICABLE POSSIBILITY AT PRESENT.
AXELROD

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM INDUSTRY, IMPORTS, ECONOMIC STABILITY, PRICE CONTROLS, GOVERNMENT MINISTRIES
Control Number: n/a
Copy: SINGLE
Sent Date: 03-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977SANTO00016
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770002-0553
Format: TEL
From: SANTO DOMINGO
Handling Restrictions: n/a
Image Path:
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Legacy Key: link1977/newtext/t19770185/aaaacvzt.tel
Line Count: 68
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Litigation History:
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Message ID: 24dbe4dd-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
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Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 SANTO DOMINGO 5162, 76 SANTO DOMINGO 5765
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TAGS: EFIN, ENRG, ETRN, DR, VE, (SELIMAN, CARLOS T)
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Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/24dbe4dd-c288-dd11-92da-001cc4696bcc
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